Secrets. II.-27.—100,000—21-5-52.

Home (1952.) Department.

No. SERIES.

G.O. No. 1482.

Dated 11th June 1952

[Despatch Abstract.]

Motor Vehicles - Taxation. Procedure for issue of current licences when there is no evidence of payment of tax for previous quarters - Instructions issued - Papers recorded.

GOVERNMENT OF MADRAS

HOME DEPARTMENT

Memorandum No.204150/Tr.III/52-3Ø dated 26--7--'52.

SUB: Motor Vehicles - Taxation - Difficulties in the matter of obtaining licences.

REF: Correspondence ending with letter from the Secretary, Central Road Traffic, , No.51950/B2/51 dated 8-5-1952.

The Secretary, Central Road Traffic Board is informed that the question referred to in Paragraph 1 of the letter from the Collector of Malabar No.L.Dis.29536/52 dated 5-4-1952 forwarded with the Central Road Traffic Board's letter cited ⊗ subsequently reported by the Collector that the Licensing Officer found as a result of his enquiry that the vehicles concerned were not used on public roads during the period for which arrears of tax were demanded.

⊗ Was last unused as it was

2. In paragraph 2 of his letter referred to, the Collector of Malabar has suggested that owners of motor vehicles as when they garage their vehicles for repairs, may deposit the registration certificates or permits in respect of the vehicles in the nearest police station and that when the vehicles are ready to be put on the road again, they may get back the registration certificates or permits from the police stations, with an endorsement made thereon by the Sub Inspector of Police concerned to the effect that the vehicle was actually off the roads during the period when the registration certificates or permits were under deposit in the Police Station. The Collector has pointed out that the difficulty of the kind experienced by the North Malabar Chamber of Commerce can be overcome if the procedure suggested above is adopted. The Secretary Central Road Traffic Board is requested to offer his remarks on the suggestion in consultation with the Inspector General of Police and the Commissioner of Police.

To the Secretary, Central Road Traffic Board, Madras-8.
To the Inspector General of Police, Madras.
To the Commissioner of Police Madras-8
with ~~respect~~ Reference to his letter No.Rc.257/Tax/51, dated 1-12-51.

/ TRUE COPY /

R. Nagarajan 27-2-56

SUPERINTENDENT,
MADRAS RECORD OFFICE.

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EXTRACT OF NOTE FILE:

This file is now concerned with the following points:-

(1) Whether the action of the Licensing Officer, Cannanore in having refused to issue a licence for the fourth quarter of 1951 in respect of the three lorries owned by Messrs. Gordhandas Khimji, Cannanore on the ground that there was no entry in the registration certificate to indicate that the tax in respect of the vehicles was paid for the previous quarter was in order; and

(2) whether the suggestion of the Collector of Malabar at A on p.3 ante made with a view to remove the difficulties experienced by the owners of transport vehicles in obtaining taxation licence generally can be adopted.

2. Point (1) above. During the period from 1-7-1951 to 30-9-1951, the three lorries owned by Messrs. Gordhandas Khimji Cannanore were not required for work during the monsoon and so the owner sent intimation on 2-7-1951 to the District Superintendent of Police, Malabar Road Traffic Officer, Malabar, Motor Vehicles Inspector Kozhikoda, Motor Licensing Officer Cannonore and the Inspector of Police, Cannanore to the effect that those lorries would not be put on the roads during the third quarter of 1951. On 17-9-1951, the owner requested the licensing officer Cannanore to issue a licence for the fourth quarter of 1951 as the vehicles would be put on the roads from 1-10-1951. The Licensing Officer asked to firm to produce a certificate from the Police to prove the idleness of the vehicles during the third quarter of 1951 before he could issue the licences for the fourth quarter; while the District Superintendent of Police stated categorically that no advice could be given to the Licensing Office to accept the tax tendered for the fourth quarter, nor could be issue a certificate on the lines suggested by the Licensing Officer. Consequently, the firm was unable to make use of the vehicles during the fourth quarter, with the result that trade channel was dislocated not to speak of the heavy loss sustained by the firm.

In a similar case brought to the notice of the Collector of Malabar previously, the Collector held that the stand taken up the Licensing Officer was correct in view of the provisions in the T.C.s. at (E) and (W) and that the Licensing Officer was not bound to issue a current licence until he was satisfied that arrears were not due.

In the present case also the Collector has reiterated his views referred to in the previous paragraph and has made the suggestion referred to at A on page 3 ante to overcome the difficulties of operators. The Commissioner of Police who was asked to state the procedure that is being followed in Similar cases in the City, has Stated that licences for the current quarter are issued provided that vehicles have current permits and fitness certificates, that if the endorsement of payment of the tax for the previous quarters is absent, it must be assumed that the vehicles did not use the public road which is the sole criterion of liability to tax and that the Licensing Officer was bound to issue the tax licences to the quarters demanded provided the permits and fitness certificates were current. The Commissioner has also pointed

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out that if the Licensing Officer had any reason to disbelieve the non-use of Road, he should have obtained a declaration to that effect from the operator and forwarded it to the Motor Vehicles checking staff for verification and further action separately. The Commissioner of Police has also pointed out that the provisions in the G.O. at (Z) relied on by the Collector ceased to be in force with the issue of the amendment to the Madras Motor Vehicles Taxation Act making the use of the public road, the criterion of liability of tax. The Central Road Traffic Board has agreed with views of the Commissioner.

The G.Os. at (Z) and (W) relied on by the Collector of Malabar to support the action of the licensing officer apply only to ~~arrears~~ of tax if any due in respect of vehicles for the quarter or quarters prior to 1-6-1932 and not for period subsequent to that date. The view taken by the Collector of Malabar and referred to at on page 5 above is not therefore correct. The position may be explained to the Collector and he may be asked to instruct the licensing officers that they should not refuse to issue licences for the current quarter solely on the ground that endorsement of payment of tax for any quarters previous to the quarter for which tax is tendered is absent in the registration certificates. In such cases the Licensing Officers may issue the current licences and bring the fact of non-payment of tax for previous quarter or quarters to the notice of the District Superintendent of Police, and the Road Traffic Officer, for verification and necessary action.

Point (2) on p.4. ante. The suggestion made by the Collector of Malabar is that owners of motor vehicles, as and when they garage their vehicles for repairs, may deposit the registration certificates or permits in respect of the vehicles in the nearest police station and when the vehicles are got ready to be put on the road again, the owners may get back the registration certificate or permits from the police stations with an endorsement made thereon by the Sub Inspector of Police concerned to the effect that the vehicles was actually off the roads, specifying the period when the registration certificate or permit was under deposit in the police station. The Commissioner of Police has stated that the suggestion of the Collector of Malabar does not appear to be of any practical value besides being contrary to the existing law, that there is no provision in the Motor Vehicles Act or Rules requiring the owners to deposit the registration certificates when a motor vehicle is garaged for repairs etc., that even if provision is made for such a procedure it will be an unnecessary restriction put on the owners and that the police cannot also furnish certificates of the kind referred to by the Collector. The Central Road Traffic Board, has agreed with the Commissioner that the proposal of the Collector is not feasible.

The instructions issued to the Licensing Officers in G.O.Ms.No.2438, Home, dated 19-6-1951 requiring them to send to the Road Traffic Officers concerned not later than 15th of the first month of each quarter, a statement showing the particulars of Transport vehicles which have failed to pay tax for that quarter, if observed scrupulously will enable the Road Traffic Officers to verify immediately cases where tax has not been paid for the quarter and this is bound to obviate the difficulties of the kind referred to by the Collector of Malabar. In the circumstances, the view of the Commissioner of Police which has been agreed to by the Central Road Traffic Board may be accepted and the Collector's attention invited to the G.O. at (E) and he may be asked to instruct the licensing officers to observe the instructions scrupulously.

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~~MADRAS RECORD OFFICE~~

G.O.MS.NO.4102 dated 11-11-1952.

ABSTRACT:

Motor Vehicles --Taxation--Procedure for issue of current licences when there is no evidence of paymentof tax for previous quarters--Instructions issued--Papers recorded.

/TRUE COPY/

R. Nagarajan 24.7.56

SUPERINTENDENT,
MADRAS RECORD OFFICE.

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